ADVANTAGE HEALTH SOLUTIONS, INC.
A HEALTH MAINTENANCE ORGANIZATION
9490 PRIORITY WAY, WEST DRIVE
INDIANAPOLIS, INDIANA 46240
(317) 573-2700

Application for Group Service Agreement/Certificate of Coverage –State of Indiana

The applicant named below (the "Group") hereby applies to ADVANTAGE Health Solutions, Inc. (ADVANTAGE) for the coverage set forth in the attached Group Service Agreement. Such coverage includes the hospital, medical and surgical benefits described in the Group Service Agreement Application (the "Application"), if any. The Subscriber Group wants to obtain the coverage for certain of its Eligible employees and their Eligible Dependents. The Subscriber Group also understands that this Application is a part of the Group Service Agreement. The AGREEMENT FOR PREPAID HEALTH MAINTENANCE ORGANIZATION AND ADMINISTRATIVE SERVICES Between STATE OF INDIANA and ADVANTAGE HEALTH SOLUTIONS, INC. (the "Mother Agreement") and the Group Service Agreement sets forth the rights and duties of ADVANTAGE and the Subscriber Group and governs the relationship of the parties.

I. Subscriber Group: STATE OF INDIANA
Address: State of Indiana
402 West Washington Street
Indianapolis, IN 46204

II. TERM: This Group Service Agreement shall take effect at 12:01a.m. on January 1, 2003 and continue through December 31, 2006, unless terminated in accordance with Article VI of the Mother Agreement, or in accordance with the terms of the Group Service Agreement.

III. ELIGIBILITY: As shown in Article V of the Mother Agreement..

A. Classes of State of Indiana Subscribers to be covered:

[X] Active full-time Employees working at least [37.5] hours each week

[X] Retirees under 65 years of age meeting the following criteria:

(i) Must have reached age fifty-five (55) upon retirement but is not eligible for Medicare

(ii) Must have completed twenty (20) years of public service, ten (10) years of which must be continuous State service immediately preceding retirement

(iii) Must have fifteen (15) years of participation in a retirement fund

(iv) Has filed a written request for coverage within ninety (90) days after retirement

[ ] Retirees over 65 years of age

[X] Persons on COBRA continuation

[X] Other (Specify):

(i) All appointed or elected officials

(ii) Employees eligible under Short and Long Term Disability Program during period of disability

(iii) Retired Legislator who meets the following:

a. Is no longer a member of the General Assembly
b. Is not eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.
c. Who served as a legislator for at least 10 years

(iv) Surviving Spouse of a deceased Legislator who meets the following:

a. The deceased legislator would have been eligible to participate in the group health insurance program had the legislator retired on the date of the legislator's death
b. The surviving spouse files a written request for insurance coverage

c. The surviving spouse pays an amount equal to the Group and employee's premium for an active employee.

(v) Retired Judge who meets the following:
   a. Retirement date after June 30, 1990
   b. Will have reached the age of sixty-two (62) on or before retirement date
   c. Is not eligible for Medicare coverage as prescribed by 42 USC 1395 et seq.
   d. Has at least eight (8) years of service credit as a participant in the judges' retirement fund, with at least eight (8) years of that service credit completed immediately preceding retirement
   e. Has filed a written request for coverage within ninety (90) days after retirement

(vi) Retired Prosecuting Attorney who meets the following:
   a. Who is a retired participant under the prosecuting attorneys' retirement fund
   b. Retirement date is after January 1, 1990
   c. Is at least sixty-two (62) years of age
   d. Is not eligible for Medicare coverage as prescribed by 42 USC 1395 et seq.
   e. Has at least ten (10) years of service credit as a participant in the prosecuting attorneys' retirement fund, with at least ten (10) years of that service credit completed immediately preceding retirement
   f. Has filed a written request for coverage within ninety (90) days after retirement

(vii) Employee on a leave of absence for ninety (90) days or less and out of pay status

(viii) Employee on family leave

(ix) Employee on union leave

(x) Retirees eligible under IC 5-10-12

(xi) A former legislator as defined pursuant to conditions set forth in IC 5-10-8-8.2

Applicable Waiting Period: Pursuant to the terms and conditions of the Mother Agreement

B. ELIGIBLE DEPENDENTS include

i) Spouse of;
   a. Employee
   b. Eligible retired legislator

A former legislator defined pursuant to the conditions set forth in IC 5-10-8-8.2
   c. Eligible Retiree
   d. Eligible retired judge
   e. Eligible retired prosecuting attorney

ii) the Subscriber's unmarried child, including an adopted child, foster child, child residing in the employee's home for whom the employee or spouse has been appointed legal guardian, or stepchild, until the earliest of the following:
   a. the last day of the calendar year in which he reaches age 19;
   b. if he is a Full-Time Student, the last day of the calendar year in which he reaches age 23 or;
   c. the date of marriage; and

iii) a Disabled Dependent, in accordance with Article V of the Mother Agreement.

C. Classes of State of Indiana Local Units Subscribers to be covered:

[X] Active full-time Employees working at least [37.5] hours each week

[X] Retirees under 65 years of age meeting the following criteria:

(i) Must have reached age fifty-five (55) upon retirement but is not eligible for Medicare

(ii) Must have completed twenty (20) years of public service, ten (10) years of which must be continuous Local Unit service immediately preceding retirement

(iii) Must have fifteen (15) years of participation in a retirement fund

(iv) Has filed a written request for coverage within ninety (90) days after retirement

[ ] Retirees over 65 years of age

[X] Persons on COBRA continuation

[X] Other (Specify):

(i) All appointed or elected officials

(ii) Employees eligible under Short and Long Term Disability Program during period of disability

(iii) Employee on a leave of absence for ninety (90) days or less and out of pay status

(iv) Employee on family leave

(v) Employee on union leave

Applicable Waiting Period: Pursuant to the terms and conditions of the Mother Agreement for Local Units.

D. ELIGIBLE DEPENDENTS include:

i) Spouse of:
   a. Employee
   b. Eligible appointed or elected official
   c. Eligible Retiree
   d. Retiree surviving spouse until the earliest of the following:
      - Twenty-four (24) months from the date the deceased retiree's coverage is terminated, unless COBRA elected at the end of the period;
      - When eligible for Medicare coveage as prescribed by 42 USC 1395 et seq.
      - The end of the month following remarriage; or
      - As otherwise provided in IC 5-10-8-8-2(k) or 2.6(g)

ii) the Subscriber's unmarried child, including an adopted child, foster child, child residing in the employee's home for whom the employee or spouse has been appointed legal guardian, or stepchild, until the earliest of the following:
   a. the last day of the calendar year in which he reaches age 19;
   b. if he is a full-time student, the last day of the calendar year in which he reaches age 23 or;
   c. the date of marriage; and

iii) a Disabled Dependent, in accordance with Article V of the Mother Agreement.

E. RULES OF ELIGIBILITY:
The terms and conditions of the Mother Agreement and the Mother Agreement for Local Units shall govern the Rules of Eligibility.

IV. COPAYMENTS AND COINSURANCE APPLICABLE TO MEMBERS OF THE SUBSCRIBER GROUP:

ADVANTAGE Members of the Subscriber Group are entitled to Covered Services, as defined in the Group Service Agreement, subject to the limitations and exclusions set forth in the Group Service Agreement. Those Covered Services that are subject to Copayments, and the amount of Copayment applicable to the benefit, are listed below. Copayments listed as a percentage of charges are to be calculated on the basis of the provider's Usual, Customary and Reasonable Charge ("UCR") for the service, even if ADVANTAGE ordinarily pays the provider on other than Usual, Customary and Reasonable Charge basis (for example, on a capitation basis). For a complete list of Covered Services, Limitations and Exclusions, see Articles VI-VIII of the Group Service Agreement. In the case of supplemental benefits, the Applicant must indicate in the boxes provided whether such coverage is elected or declined.

Out-of-Pocket Maximum is the maximum Coinsurance amount that a Member is responsible for under this Group Service Agreement. The Out-of-Pocket Maximum is $1,000 per Member or $2,000 per family, per Calendar Year.

The Policy Maximum: $2,000,000.

COPAYMENT/COINSURANCE

1. **Physician Office Visit**
Copayment (applicable to physician or provider office visits for: diagnoses and/or treatment of illness or injury; periodic examinations and health assessments; laboratory and x-ray diagnostic services; care for pregnancy; immunizations; health education; vision screenings and one well-woman exam (self-referred gynecological exam with an OB/GYN within the Member's selected Physician Network in accordance with ADVANTAGE's Adult Preventive Health Standards).

Physician Office Visit
Copayment applies when there is a patient-physician encounter

	$ 5.00	Office Visits (PCP)
	$ 10.00	Specialist Office Visits (SCP)
	$ 0	Hearing Screening
2.	$10.00 In-Network\$25.00 OON	**Urgent Care facilities, after hours and physician home visits**
3.	$10.00 In-Network\$25.00 OON	**Hospital Emergency Room Medical Services**
4.	$0	**Inpatient Medical Hospital** Copayment (Applicable to each inpatient hospital admission/stay for diagnosis and/or treatment of injury or sickness, surgical services, short term physical therapy, short term speech or occupational therapy, care for pregnancy.) (See Mental Health and Substance Abuse riders for Inpatient Hospital Copayments related to those services.) (Maximum 2 Copayments per Member per Year.
5.	$0	**Outpatient Surgery Services:** Outpatient Surgery Services, including related lab and x-ray procedures received in a hospital or freestanding surgery center.
6.	20%	**Medically Necessary Ambulance Transport**
7.		**Therapies**: Short Term Outpatient Physical Therapy per office or home visit, Short Term Speech and Occupational Therapy per office or home visit. Covered Services include those services provided for a convention which is subject to continuing improvement.
	$ 0 Included in Inpatient Medical Hospital Copayment	Outpatient – Limited to 60 visits for each distinct condition or episode. Inpatient
		Cardiac Rehabilitation – Short Term Outpatient Cardiac Rehabilitation services per office or home visit. Covered Services include those services for the improvement of cardiac disease or dysfunction.
	$ 0 Included in Inpatient Medical Hospital Copayment	Outpatient – Limited to 60 visits for each distinct condition or episode Inpatient
		Pulmonary Rehabilitation – Short Term Outpatient Pulmonary Rehabilitation Services per office or home visit. Covered Services include those services for the improvement of pulmonary disease or dysfunction that has poor response to treatment.
	$ 0 Included in Inpatient Medical Hospital Copayment	Outpatient – Limited to 60 visits for each distinct condition or episode. Inpatient
8.	$0	**Home Health and Home Hospice Services**
9.	$0 per admission	**Skilled Nursing Facility and Inpatient Hospice Benefit Limit:**

		100 days per contract year per disability not to exceed 100 days per disability. Copayment waived if transferred from an inpatient facility following an inpatient admission. Day limit does not apply to Hospice Services.
10.	$0 $0	**Allergy Injection Serum and Administration of Serum** **Allergy Testing**
11.		**Diabetic Supplies** subject to ADVANTAGE's Diabetic Supplies Covered Item List.
	50%	Tier One – Items listed on the ADVANTAGE Diabetic Supplies Covered Item List under Tier One Heading.
	50%	Tier Two – Items listed on the ADVANTAGE Diabetic Supplies Covered Item List under Tier Two Heading.
	50%	Tier Three – Items listed on the ADVANTAGE Diabetic Supplies Covered Item List under Tier Three Heading.
12.		**Pervasive Developmental Disorder (PDD)**
	Same as Inpatient Medical Hospital Copayment/Coinsurance	Inpatient
	$0 per visit	Outpatient
13.	PCP/SCP Copay when applicable	**Injury to Sound and Natural Teeth (ISNT)** Injured teeth must be sound and natural; Includes dentally indicated services to repair or replace sound and natural teeth when the injury is traumatic.
14.	PCP/SCP Copay when applicable	**Therapeutic Injections** Outpatient therapeutic injections which are Medically Necessary and which may not be self-administered including, but not limited to: chemotherapy, antibiotics, analgesics, hydration, TPN.
15.		**Substance Abuse Rider**
	$20 per visit	<u>Outpatient</u>: Covered up to 20 outpatient visits per contract year.
	$0 per admission	<u>Inpatient</u>: Covered Services are limited to evaluation and treatment of conditions which Contracting Provider believes will be responsive to short-term therapy. Limited to maximum of 14 inpatient days per contract year. Lifetime maximum of 2 detox admissions.
16.		**Mental Health Rider**
		Short Term Mental Health Therapy – In addition to crisis intervention, Covered Services include those services provided for a convention which is subject to continuing improvement.
	$5 per visit for mental health professional $10 per visit for M.D. services	Outpatient – Unlimited.
	Same as Inpatient Medical Hospital Copayment/Coinsurance	Inpatient
17.		**Outpatient Prescription Drug Rider** **Three Tier Pharmacy Rider**
		i. FORMULARY GENERIC: $5.00 Copayment per prescription up to 30-day

supply

ii. NON-FORMULARY GENERIC:
$ 15.00Copayment per prescription up to 30-day supply

iii. FORMULARY BRAND – WHEN NO GENERIC EQUIVALENT IS AVAILABLE:
$ 10.00 Copayment per prescription up to 30-day supply

iv. NON-FORMULARY BRAND – WHEN GENERIC EQUIVALENT IS AVAILABLE:
$20.00Copayment per prescription up to 30-day supply

v. FORMULARY BRAND – WHEN GENERIC EQUIVALENT IS AVAILABLE:
When physician prohibits generic substitution, or Member requests brand name drug, and a generic equivalent is available:

Member pays the formulary Brand Prescription Drug Copayment, PLUS the difference between ADVANTAGE's maximum allowable charge of the brand name and generic drug.

vi. NON-FORMULARY BRAND – WHEN GENERIC EQUIVALENT IS AVAILABLE:

When a physician prohibits generic substitution for a non-formulary drug, or Member requests non-formulary brand name drug, and a generic equivalent is available:

The formulary Brand Prescription Drug Copayment, PLUS the difference between ADVANTAGE's maximum allowable charge of the brand name drug and generic drug applies.

vii. Diabetic Disposable Syringes And Needles:

Brand Copayment applies

Mail order prescription coverage available through Approved mail order pharmacy at 2 copayments per prescription fill up to a 90 day supply

18. $0 **Durable Medical Equipment Rider**

19. $0 **Corrective Appliance and Artificial Aid Rider**

20. 20% Coinsurance **Family Planning Services**
Lifetime Maximum: $2,500

21. $0 for TMJ Services **Temporomandibular Joint (TMJ Disorder and Orthognathic Conditions**

$0 for Orthognathic Conditions TMJ Lifetime Benefit Plan Maximum $1,500
Orthognathic Conditions Lifetime Benefit Plan Maximum $5,000

V. BILLING RULE:

a. if employee's effective date occurs between the first and the fifteenth of the month, full premium is due for the employee and enrolled dependent(s) for the entire month. If the effective date of the employee occurs after the fifteenth of the month, no premium shall be due until the first day of the following month. If employee's termination date occurs between the first and the fifteenth of the month, no premium shall be due for the employee and the disenrolled dependent(s) for that month. If employee's termination occurs

after the fifteenth of the month, full premium is due for the employee and disenrolled dependent(s) for the entire month. Except when dependent's effective date or termination date coincides with the employee's, full premium will be charged for any dependent eligible for any portion of the month.

[ ]Elected
[X] Declined (See "Other" below)

b. Other:
Billing and premium payments are determined on a bi-weekly period (26 billing periods) and in accordance with Article IV of the Mother Agreement.

VI. PREMIUM DUE DATE: in accordance with Article V. of the AGREEMENT FOR PREPAID HEALTH MAINTENANCE ORGANIZATION AND ADMINISTRATIVE SERVICES Between STATE OF INDIANA and ADVANTAGE HEALTH SOLUTIONS, INC.

The first day of the month for Members enrolled under the AGREEMENT FOR PREPAID HEALTH MAINTENANCE ORGANIZATION AND ADMINISTRATIVE SERVICES Between STATE OF INDIANA and ADVANTAGE HEALTH SOLUTIONS, INC. FOR LOCAL UNITS.

Premium billing rates are defined in Article IV, A of the Mother Agreement.

VII. MINIMUM PARTICIPATION AND CONTRIBUTION REQUIREMENTS:

This is intentionally left blank.

VIII. CONFIDENTIALITY OF PERSONAL HEALTH INFORMATION:

By signing the ADVANTAGE enrollment form and enrolling in the plan or signing a separate Routine Consent Application, the Subscriber permits ADVANTAGE to utilize personal medical information for future, known or routine needs for the purpose of treatment, payment and health care operations. This may include: coordination of care; case management; disease management; quality assessment and measurement; accreditation; decisions about the payment of services; and, other normal business operations related to administering the health plan. Information may be transmitted to or from ADVANTAGE for the purpose of arranging for health care and benefits. Consent is a condition of enrollment and consent may be revoked at anytime by writing to ADVANTAGE Member Services. The Member may also file a grievance if they feel there is a violation regarding use or disclosure of their personal health information.